

PR/07/05

EUTELSAT ANNOUNCES HEADLINE RESULTS OF ITS TWO-YEARLY SURVEY OF CABLE/SATELLITE HOMES FOR 2005

With 119.4 million TV homes in Europe, the Middle East and North Africa receiving channels broadcast via Eutelsat's HOT BIRD™ satellites and EUROBIRD™1, penetration stands at 8 homes in every 10

More than 52.6 million households receive HOT BIRD™ and EUROBIRD™ 1 services directly via satellite which confirms Eutelsat leading position for DTH reception in Europe, the Middle-East and North Africa.

Result highlights (and September 2004/2002 comparison)

- **48%**, or nearly 1 TV home in every 2, are equipped for cable or satellite reception in the 37 countries covered by the survey. The figure for 2002 was 43%. Total reach is now **150 million homes** compared with 132 million homes in 2002, showing a growth rate of 14%.
- Direct reception via satellite (DTH and community) progressed **three times** faster than cable between September 2002 and September 2004.
- **42.3 million** cable/satellite homes are equipped for digital reception in western and eastern Europe compared with 28.9 million in 2002, a growth rate of **46%**.
- **29.9 million** homes now subscribe to digital pay-TV in western and eastern Europe compared with 23.5 million in September 2002, a growth rate of **27%**.

N.B.: "Satellite" refers to a household equipped for direct or community reception of TV channels. "Cable" refers to a household receiving channels through a cable network. "Cable/satellite homes" covers both user populations, i.e. all homes receiving channels over satellite, either through direct reception or cable.

Paris, 27 April 2005:

Eutelsat S.A., one of world's leading satellite operators and the first supplier of capacity for TV and radio broadcasting in Europe, the Middle East and North Africa, today announced the headline results of its two-yearly survey of television reception by cable/satellite homes.

Set up in 1994 and covering 37 countries in Europe, the Middle East and North Africa, the key objective of the survey is to measure the growth of three main broadcasting indicators: type of reception (cable/satellite) by TV homes in these regions; the ratio of analogue to digital; the respective marketshares of free-to-air and pay-per-view channels.

The survey also monitors the number of antennas pointing towards the HOT BIRD™ satellites and EUROIRD™ 1, which together broadcast 60 per cent of the 1500 television channels and interactive services broadcast via Eutelsat. The survey also indicates how the cable audience has evolved at both neighbourhoods.

Conducted between July and September 2004, the survey took in 31 countries representing 94% of the population of the 37 countries in the Observatory. More than 35 000 homes were interviewed face-to-face or by phone, using a single questionnaire shared by 17 research institutes including TNS, GFK, AC Nielsen, Ipsos and Gallup. Figures for the other six countries were integrated using national market surveys.

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Presentation of the main results of the 2005 Eutelsat Observatory

- **150 million TV homes in the 37 countries covered by the survey now receive channels via direct reception (DTH or community antenna) or through cable. This corresponds to nearly 1 TV home out of every 2 (48%) compared with 43% in September 2002 (132 million).**
- *(See Figures No. 1 and No. 2 in the Annex)*
 - The overall rise in the number of homes equipped for cable or satellite reception is 14% between September 2002 and September 2004. North Africa and the Middle East continue to show the strongest annual growth rate, progressing by 23% each year. 59% of TV homes in western Europe are connected to cable or satellite (against 57% in 2002), 54% in North Africa and the Middle East (against 38% in 2002) and 32% in eastern Europe (against 26% in 2002).
- **Between 2002 and 2004, direct reception via satellite (DTH and community) progressed three times faster than cable.**
 - Of the 150 million cable/satellite homes, DTH reception has now drawn level with cable in the 38 countries in Europe, (76 million satellite homes compared with 77.4 million homes for cable). Direct reception progressed by 23% between 2002 and 2004 compared with an 8% rise for cable.

- **Of the 123.7 million cable/satellite homes in western and eastern Europe, 34% are equipped for digital reception, i.e. 42.3 million homes (compared with 28.9 million in 2002).**

(See Figure No. 3 in the Annex)

- The significant growth of digital is driven in particular by the increase in DTH reception (8 digital homes out of every 10 are equipped for DTH, i.e. 33.6 million).
- Although analogue maintains its majority marketshare in serving 59% (88.1 million) of cable/satellite homes in Europe, the Middle East and North Africa, it continues to decrease in favour of digital (analogue had a 74% marketshare in June 2002).
- In September 2004, digital was received in 66% of satellite homes (34% for analogue).
- Of the 33.6 million digital satellite homes in western and eastern Europe, 21.1 million subscribe to pay-TV (63%) and **12.5 million receive free-to-air channels.**

- **Of the 123.7 million cable/satellite homes in western and eastern Europe, 29.9 million subscribe to digital pay-TV either via direct reception or through cable.**

(See Figure No. 4 in the Annex)

(NB: The progression of digital is only analysed for western and eastern Europe, where each country has a clearly identifiable installed digital user base.)

- Homes subscribing to digital pay-TV split into 21.1 million satellite homes (19.1 in western Europe and 2 million in eastern Europe) and 8.8 million cable homes.
- The number of cable/satellite homes subscribing to digital pay-TV rose overall by 27% between September 2002 and September 2004.
- The United Kingdom alone represents 36.5% of households in western Europe that subscribe to satellite pay-TV. Other figures are: France 20.7%, Italy 13.5%, Spain 9% and Germany 6.3%.

- **119.4 million homes receive channels via the HOT BIRD™ satellites and EUROIRD™ 1, which places their combined penetration at 8 homes out of 10 in the 37 countries covered by the survey.**

(See Figure No. 5 in the Annex)

- Between September 2002 and September 2004, the audience for the HOT BIRD™ satellites increased by 11.8 million (110.5 million homes against 98.7 million in September 2002) and by 2.6 million homes for EUROIRD™ 1 (8.9 million homes against 6.3 million in September 2002).
- Within their coverage zone, the HOT BIRD™ satellites serve 88% of cable homes and 59% of satellite homes. In the latter segment, HOT BIRD™

penetration is 48% in western Europe, 83% in central and eastern Europe and 70% in North Africa and the Middle East. In western Europe, the HOT BIRD™ satellites serve 97% of cable homes.

- More than 52.6 millions households receive HOT BIRD™ and EUROBIRD™ 1 services directly via satellite which confirms Eutelsat leading position for DTH reception in Europe, the Middle-East and North Africa

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Annexes

Figure No. 1: Number of homes (in millions) receiving satellite channels through cable or via satellite reception (DTH or community antenna). Segmentation by region. Total TV-equipped population base = 314 million homes.

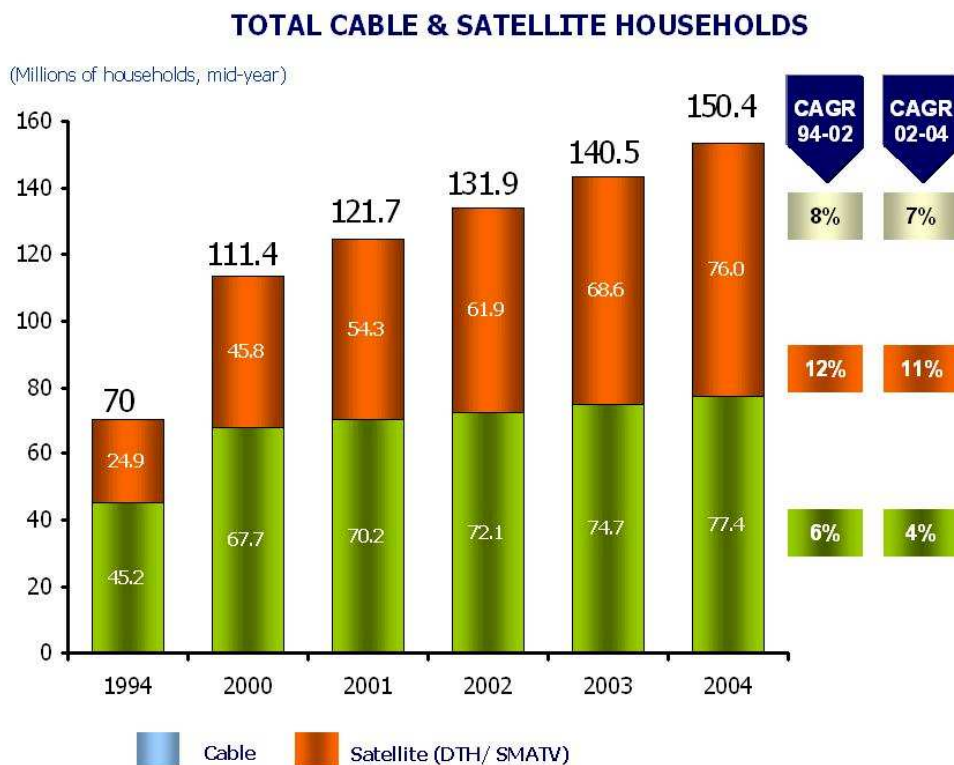


Figure No. 2: Number of homes (in millions) receiving satellite channels through cable or via satellite reception (DTH or community antenna). Total TV-equipped population base = 314 million homes.

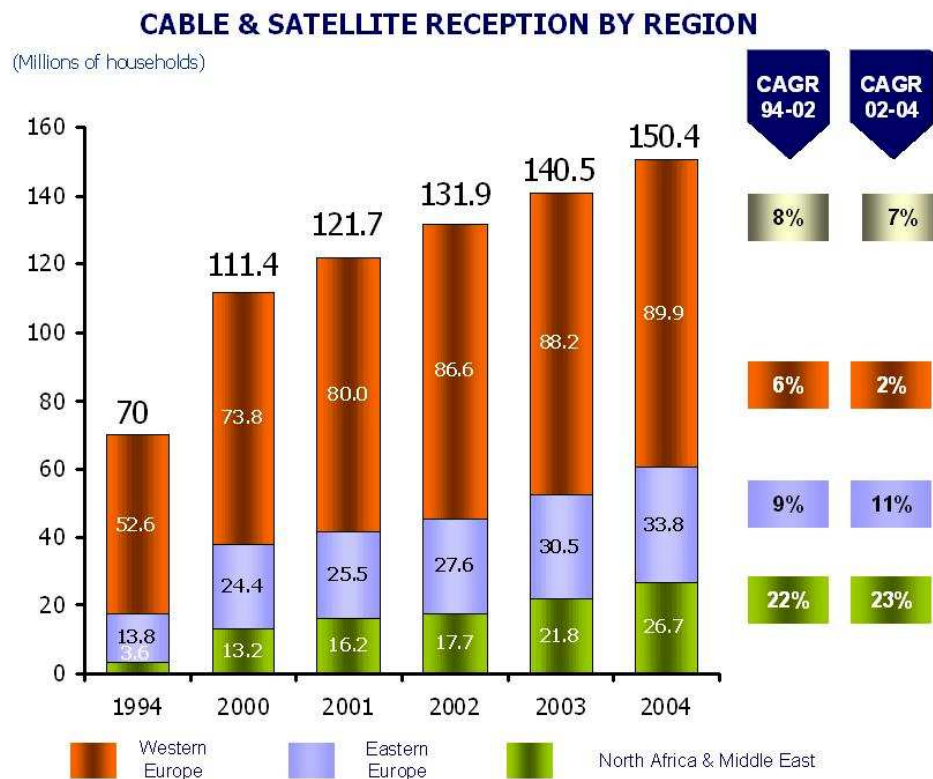


Figure No. 3: Number of homes (in millions) receiving channels through cable or satellite reception (DTH or community antenna). Total cable/satellite-equipped population base in western and eastern Europe = 123.7 million homes.

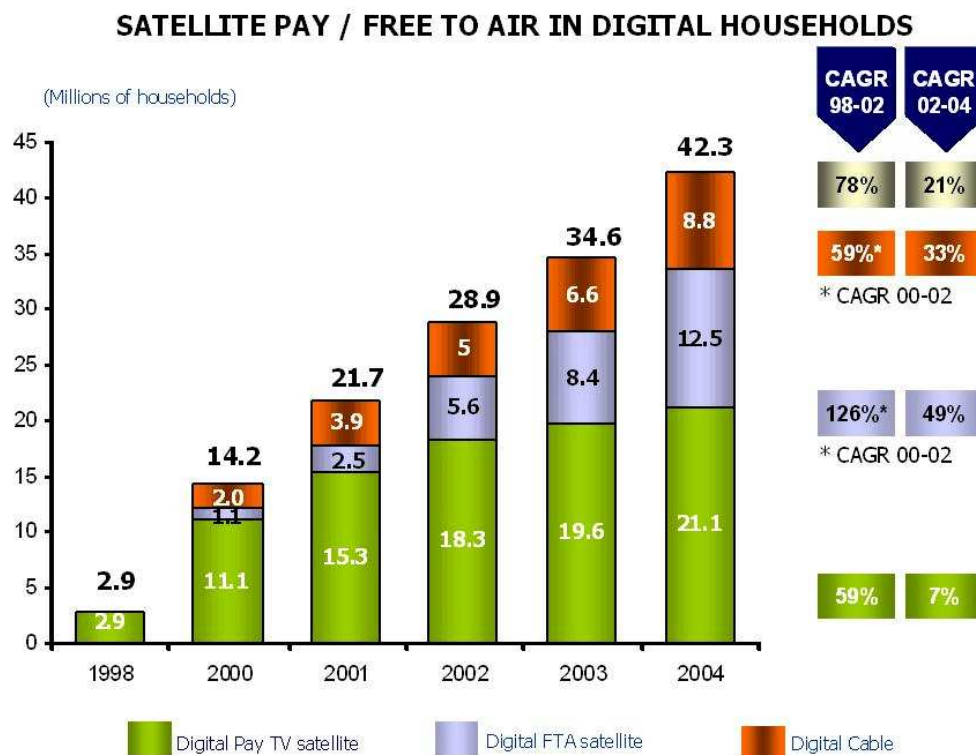
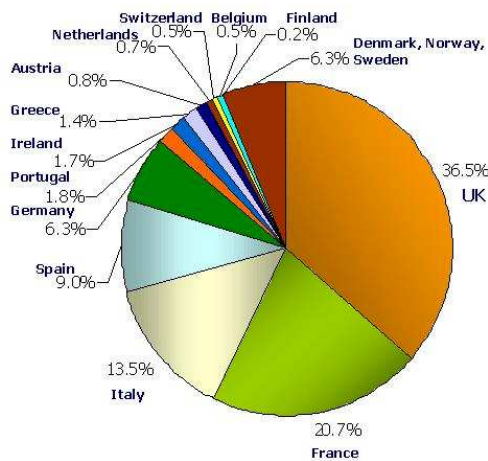


Figure No. 4: Number of homes subscribing to digital pay-TV through cable or satellite reception (DTH or community antenna). Cable/satellite-equipped population base in western and eastern Europe = 123.7 million homes.

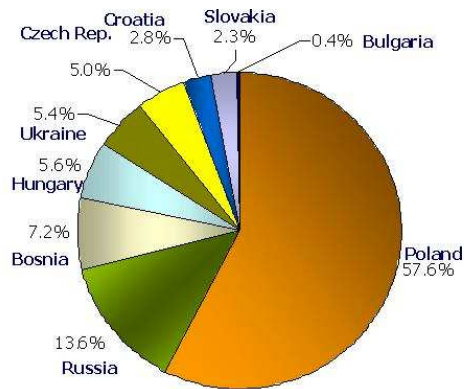
SATELLITE PAY - WESTERN AND EASTERN EUROPE

Western Europe - 19.1 Mil HH



Eastern Europe - 2 Mil HH

Note 2: Not including Belarus, Romania, Slovenia



**SATELLITE DIGITAL FTA
TOTAL 25.464 MIL HOUSEHOLDS**

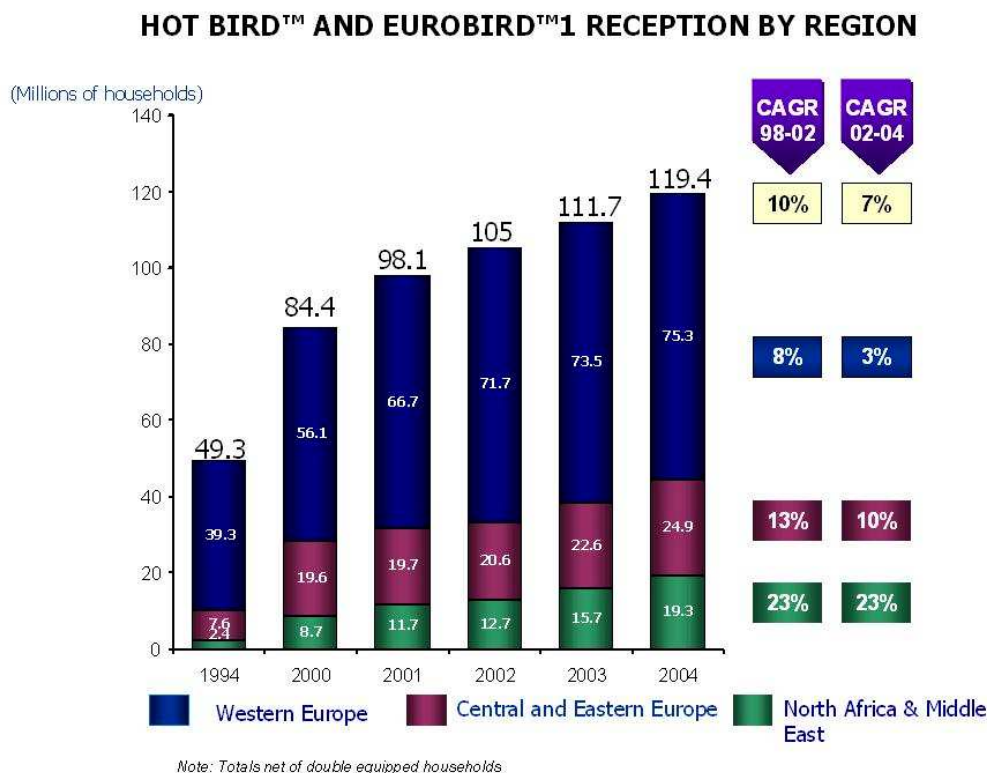
Western Europe 8.632 Mil HH

Eastern Europe 3.566 Mil HH

Africa/Middle East 13.266 Mil HH

Italy	3 340	39%	Poland	1 107	31%	Turkey	2 976	22%
Germany	2 957	73%	Russia	552	47%	Saudi Arabia	2 424	41%
Spain	579	80%	Croatia	420	58%	Algeria	2 169	57%
France	397	84%	Hungary	388	69%	Syria	1 866	71%
Netherlands	300	88%	Czech Rep.	328	78%	Morocco	1 506	82%
Austria	243	91%	Slovakia	238	85%	Egypt	1 445	93%
Finland	203	93%	Bulgaria	234	92%	Jordan	427	97%
Belgium	169	95%	Ukraine	181	97%	Tunisia	329	99%
Switzerland	156	97%	BiH	118	100%	Israel	121	100%
UK	100	98%				Lebanon	3	100%
Greece	84	99%						
Ireland	73	100%						
Portugal	31	100%						

Figure No. 5: Number of homes (n millions) receiving channels via the HOT BIRD™ satellites and EUROIRD™ 1. Total cable/satellite-equipped population base = 150 million homes.



About Eutelsat

With capacity commercialised on 23 satellites that provide coverage from North and South America to Far East Asia, Eutelsat is one of the world's three leading satellite operators. Its satellites are used for broadcasting more than 1,500 television and 800 radio stations to 120 million cable and satellite homes. They also serve requirements for TV contribution services, corporate networks, mobile positioning and communications, Internet backbone connectivity and broadband access for terrestrial, maritime and in-flight applications. Eutelsat's broadband subsidiary Skylogic markets and operates services through multimedia platforms in France and Italy that serve enterprises, local communities, government agencies and aid organisations in Europe, Africa, Asia and the Americas. Headquartered in Paris, and with staff of 450 commercial, technical and operational experts from 25 countries, Eutelsat generated turnover of €760 million for the 2003/2004 financial year.

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